

Envisioning a Permanent Home for the Midtown Farmers' Market

**Prepared by
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Conducted on behalf of
Corcoran Neighborhood Organization
December, 2009**

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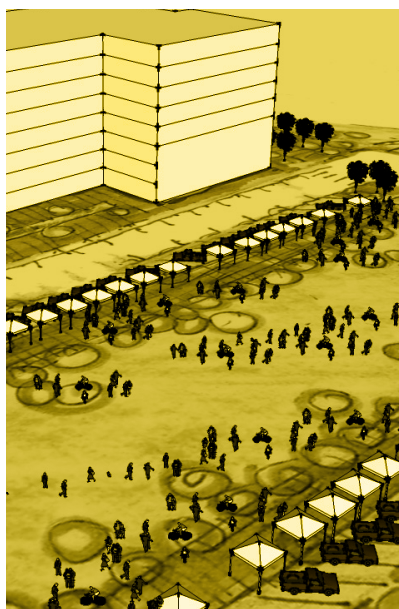
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envisioning a permanent home for the **Midtown Farmers' Market**

CORCORAN NEIGHBORHOOD ORGANIZATION
MINNEAPOLIS, MN

prepared by Adam Maleitzke
June 2009



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Corcoran Neighborhood Organization

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executive summary

The Midtown Farmers Market (MFM), a project of the Corcoran Neighborhood Organization (CNO), brings all-local food and goods to 40,000 people each year. MFM supports over 70 farmers and vendors, has brought \$1 million in opportunity to Lake Street and is a cornerstone of the redevelopment plan shared by the neighborhood and the City. Through a generous no-cost lease provided by Minneapolis Public Schools, MFM has become a fixture of 2225 E Lake Street for six successful seasons. However, the future of this site is unclear. MPS has announced its desire to either re-purpose the existing office building or sell the entire site to a private development team in order to recover debt. In response, the MFM and a coalition of neighborhood residents and advocates seek a solution that benefits everyone including the Minneapolis Public Schools and any future stewards of the site.

This report documents research and outreach conducted in the five months following the announcement. The report includes engagement of neighborhood representatives, precedent research, a SWOT analysis, review of the Corcoran Midtown Revival plan and a profile of current MFM operations that culminate in two alternatives for the future of the Market. These alternatives focus on dual-use infrastructure in order to maximize square footage for future transit-oriented development.

During this time, the Corcoran Neighborhood Organization raised the profile of this issue and collaborated with a wide array of community partners, elected officials and residents. In February, CNO organized a successful fundraiser that drew over 100 supporters. A March meeting with state and local elected officials began a conversation that still continues. CNO also met privately with 9 developers interested in a potential RFP to redevelop 2225 e Lake. These meetings culminated in a productive developers' roundtable that was held in May.

Through its six successful seasons, the Midtown Farmers Market has proven itself to be an asset for farmers, vendors and the community. For this reason, the MFM desires to create a permanent home for its operations at 2225 e Lake Street.



Figure 5-1. 2225 E Lake Street highlighted with dashed orange line

introduction

Since opening day in June 2003, the Midtown Farmers' Market (MFM), a project of the Corcoran Neighborhood Organization (CNO) has brought together an extended community of regional farmers, urban neighborhoods and residents committed to buying fresh, locally-grown produce and products. For six seasons, the fledgling Market operated at 2225 e Lake Street under a generous no-cost lease provided by the Minneapolis Public Schools. The site, located at the southwest corner of Hiawatha Lake Street Light Rail Station and a hub of major bus lines, provides convenient access and high visibility for customers (Figure 5-1).

The parcel at 2225 e Lake was developed by Brown Institute in 1987 as the first home for its technical school. The 6.5-acre site features a four-story office building surrounded by over 200 spaces of surface parking. When Brown College moved its headquarters out of Minneapolis in 1998, the school district purchased the site, eventually establishing the Anishinabe Academy, a magnet school focused on Native American language and culture.

In 2009, as a cost-saving measure, the school district announced plans to consolidate several schools into existing buildings across Minneapolis and to sell key pieces of real estate. As of June 2009, MPS has significant debt associated with 2225 e Lake. Beginning in the 2009-10 school year, the Anishinabe Academy and its 330 students will share space with the Sullivan school. Sullivan school has capacity for 1,200 students and is only 50% full as of June 2009. The school district has stated it will probably sell 2225 e Lake Street for redevelopment through an RFP process. MPS has given assurances to CNO that the Market's lease will be honored for the full May through October 2009 season.

At the time of publication, the future of the site is uncertain. The move of Anishinabe Academy to Sullivan will leave an empty building at one of Minneapolis' busiest and transit-oriented intersections. The site, a flat, largely unbuilt and contiguous parcel located next to light rail, is arguably the best opportunity for transit-oriented development in recent years.

As of June 2009, Minneapolis Public Schools (MPS) is evaluating two options for the future of 2225 E Lake:

OPTION 1

MPS is exploring scenarios for the reconfiguration of its central administration offices. According to a RFP released by the District in Spring 2009, the administrative offices will include space for 600 employees, a welcome center for students and parents and space for its Adult Education program. It is possible that 2225 E Lake will be remodeled by MPS to meet one or more of these requirements (MPS RFP, 2009). A space study prepared in 2008 estimates that central administration will require a total of 208,000 sq. feet, but that this square footage could be split into three major centers.

Other alternatives call for a lease proposal within 3 miles of the Minneapolis central business district, a build-to-suit proposal on a site of the developer's choosing, or lease with an option to buy. MPS accepted proposals through early June and will make a final decision about the future of its administrative offices in early Fall 2009.

OPTION 2

If MPS chooses another site for its administrative offices or locates only part of its offices at 2225 E Lake, the school district will likely enter into a second RFP process to determine the future of the site. In that case, MPS would likely sell the site to a developer team in order to recover its debt.

While many options exist for this site, one thing is clear: the future of the Midtown Farmers' Market (MFM) is uncertain. If MPS retains the site for some of its administrative operations, it would be possible for MFM to remain at its current location. It is most likely, however, that MPS will eventually sell the site to a development team in anticipation of a transit-oriented, mixed use redevelopment.

The Corcoran Neighborhood Organization (CNO) and Midtown Farmers' Market want the Market to remain at its current site under any redevelopment plan (refer to appendix for February 2009 letter that states the full position of the Midtown Farmers Market). This research demonstrates the feasibility of integrating a farmers' market into any of the options above. Whether owned by the school or development team under a variety of scenarios, this report presents alternatives for space-efficient, multi-functional spaces that can also be used by MFM.

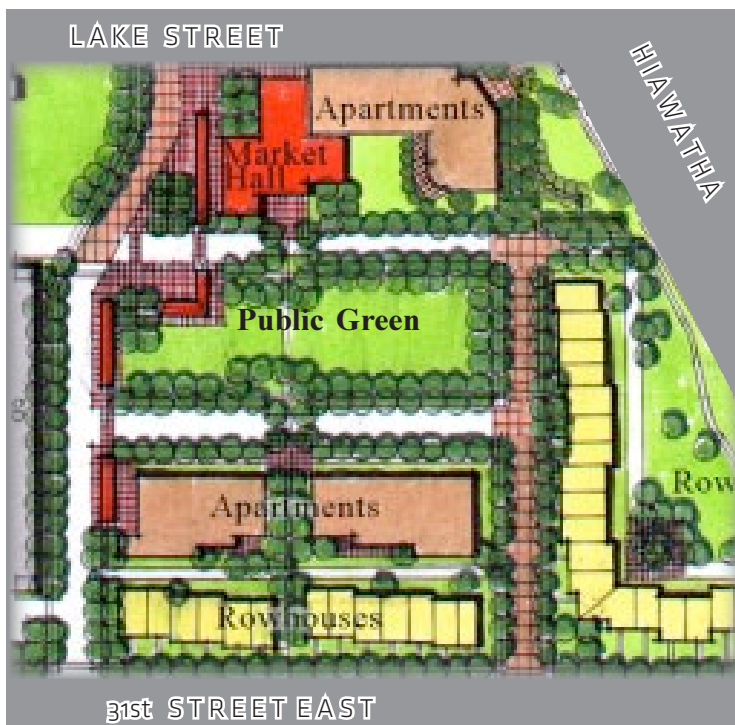


Figure 7-1. Corcoran Midtown Revival plan for 2225 E Lake Street, 2002

Corcoran Midtown Revival plan

Corcoran is a compact and diverse neighborhood in south-central Minneapolis. Bounded by Lake Street, E 36th Street, Cedar Avenue and Hiawatha, the neighborhood features retail nodes and easy access to mass transit. In order to identify opportunities afforded by its location and anticipate the arrival of light rail, the neighborhood organization (CNO) worked with a consultant to prepare a plan for its major corridors and redevelopment zones. The 2002 Corcoran Neighborhood plan is the result of these efforts. The full plan, adopted by the City of Minneapolis in 2002, is available online. Major elements include:

- A mix of housing opportunities that could include rental/owner-occupied, affordable and senior housing.
- 6+ stories at Hiawatha and Lake Street, stepping down in density towards neighborhood
- Retail and office
- Sustainable, 100-year buildings
- Articulated and active storefronts along Lake Street
- Connection to neighborhood from light rail through extension of 23rd Avenue
- Public and shared spaces for the larger community
- Shared parking for residents, YWCA, office/retail tenants
- A sense of place and neighborhood identity

A farmer's market was also proposed in the Corcoran plan. Originally envisioned as a 10,000 sq. foot indoor market, the Midtown Farmers' Market has since been opened through community efforts as an open air market.

analysis

This section presents a comprehensive analysis of the current farmers' market and envisions alternatives under redevelopment of 2225 e Lake. The analysis includes a SWOT analysis used to identify the MFM's strengths, weaknesses, opportunities and threats. A detailed profile of the current market from a programmatic and spatial perspective follows. A series of precedents for shared use farmers' markets leads into two alternatives that show how MFM can remain at its current location even with more intensive redevelopment.

SWOT ANALYSIS

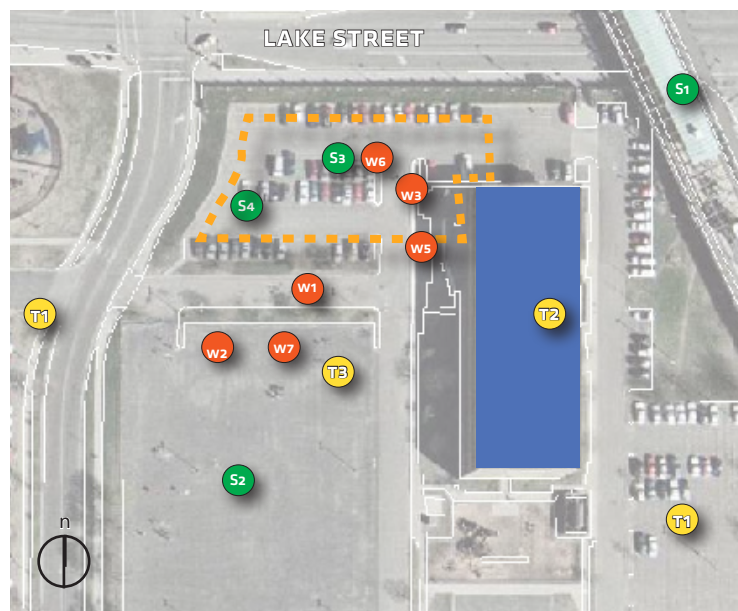
The SWOT analysis is often used at the beginning of planning processes to stimulate discussion about values, priorities, opportunities and barriers to success. In February 2009, the MFM advisory committee participated in a SWOT analysis for the Midtown Farmers' Market. The conversation focused mainly on issues such as parking, gathering space, spatial programming of stalls and farmers' market amenities. In addition to the strengths, weaknesses and threats listed at right, the following opportunities were discussed:

Shared parking

Permanent structures

Sustainability

Integration into redevelopment



STRENGTHS

- S1** Proximity to LRT, bus service
- S2** Ample customer parking
- S3** Vendor parking directly behind stalls
- S4** Demand for additional stalls (20+)
- S5** Growth in demand for crafts, value-added products
- S6** Flexible, mobile
- S7** High visibility
- S8** Market codified in Corcoran plan

WEAKNESSES

- W1** Entrance lane divides parking and market
- W2** Temporary storage
- W3** Lack of dedicated performance/demonstration space
- W4** Unreliable utility connections
- W5** Temporary restrooms
- W6** Lack of gathering space/picnic area
- W7** No dedicated trash/recycling center
- W8** No shelter from sun/elements

THREATS

- T1** Expansion of parking
- T2** Closing, sale of Anishinabe Academy
- T3** Competition for space from redevelopment
- T4** Lack of permanent structures decreases "staying power", marketability
- T5** Competition from year-round, 7 day/week discount retailers
- T6** Reduction in foundation support



Figure 9-1. The Midtown Farmers' Market on Saturdays

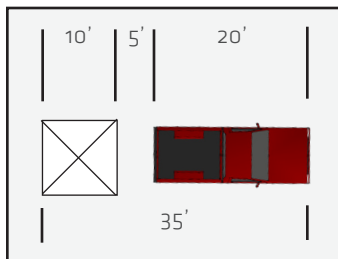


Figure 9-2. Typical vendor stall with truck

FARMERS' MARKET PROFILE

The Midtown Farmers' Market has always been a grassroots operation. A project of the Corcoran Neighborhood Organization, the Market has grown to over 60 regional vendors and draws 40,000 customers annually. However, throughout its six-year journey, the MFM has not reviewed its current and future needs from a spatial and programmatic perspective. MFM's partnership with MPS that allowed use of ample space for market staging and parking through a no-cost lease has been key to the Market's growth and success. With the closing of Anishinabe, the MFM committee and CNO land use and transportation committee examined the way the Market currently operates and identified opportunities for improvement.

As of June 2009, the Midtown Farmers' Market is open on Saturdays from 8a-1p (May-October) and on Wednesdays from 3:30p-7:30p (July-October). On most market days, vendors set up along Lake Street in a parking lot at the northwest corner of 2225 e Lake Street (see Figure 5-1). With over 60 vendor stalls and a stage, community booths and small seating area, the market takes up roughly 14,000 sq. feet. Parking is available directly to the south and can accommodate about 100 customer autos.

A typical vendor stall is roughly 35'x10' (Figure 9-2). Farmers, who comprise the majority of vendors at the MFM, usually park their trucks behind a 10'x10' tent and operate out of their vehicles for easy access and security. Non-farmer vendors operate in the center of the market and do not need trucks adjacent to their tents (Figure 9-1).

Key features of the Midtown Farmers' Market:



- A** A STORAGE AREA
POD storage is used for tents, tables and stage. Occupies a 20'x30' footprint
- B** ACCESS TO LIGHT RAIL STATION
The market's proximity to buses, light rail and high visibility brings in customers and livens Lake Street
- C** READY-MADE & SPECIALTY GOODS
A crepe stand, arts and crafts and a coffee shop, among others, comprise a popular and growing Market element
- D** PERFORMANCE
An elevated stage (20'x20') and seating area (3 tables with standing room) is situated at the core of the Farmers' Market
- E** PARKING
The Farmers' Market is serviced by a 100-space parking lot. The lot is usually full throughout market operation.
- F** SEASONAL LOCAL PRODUCE
Local produce sales begin in mid-June. All produce must come from MN and WI.

PRECEDENTS

Farmers' markets operate in a wide variety of settings throughout the world. They also vary in their degree of permanence. Markets can be indoor, outdoor, a combination of both and occupy surface parking lots, public plazas, parks, alleys and boardwalks, among others.

Upon completing the SWOT analysis and market profile, the committees identified a list of issues affecting the Market, how the market currently operates and what amenities the MFM will require in the future. With this understanding, three precedents were used to guide the conversation about alternative configurations. All three precedents have a similar context to the Market's location on Lake Street and feature retail, higher density residential and unique approaches to parking.

Fruitvale Farmers' Market, Oakland, CA

The Fruitvale market, operated by the Unity Council, was opened as part of a multi-block redevelopment of parking lots adjacent to a light rail stop in Oakland, CA. Every Saturday during the growing season, vendors set up on either side of a pedestrian mall and offer fresh fruits, ready-made goods and live entertainment. A 7,000 sq. foot indoor market opened in 2008. The Fruitvale market also has a sense of permanence, with a gateway arch, banners and planters throughout the development (Figure 10-1).

Figure 10-1. Fruitvale Farmers' Market

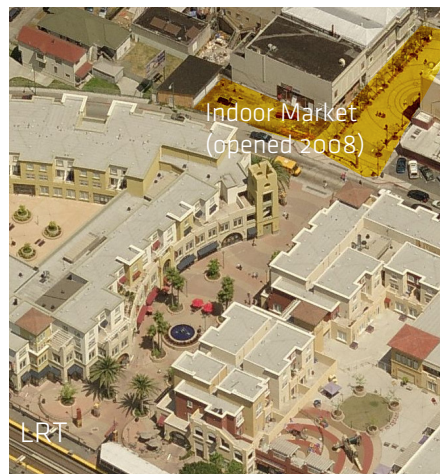


Figure 10-2. East Town Market

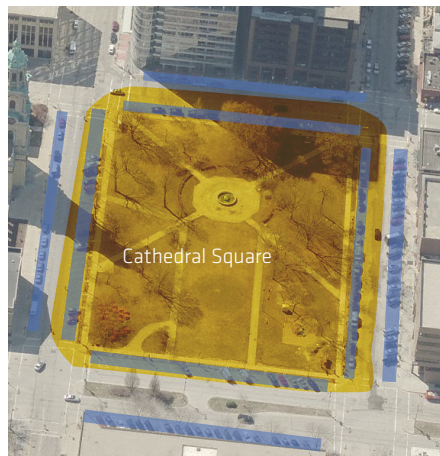


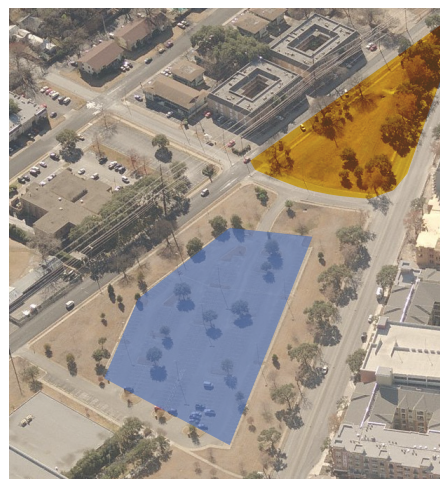
Figure 10-3. Austin Farmers' Market

East Town Market, Milwaukee, WI

The East Town Market is located in the center of downtown Milwaukee and operates in a town square. A good example of dual-use infrastructure, vendors park their trucks along the perimeter of the square and sell their goods to customers along the boulevard (Figure 10-2).

Austin Farmers' Market, Austin, TX

Another example of dual-use infrastructure, the Austin Farmers' Market repurposes a state parking lot and park during operations. Through shared parking arrangements, the market uses the surface parking lot after hours when state employees are not at work. This arrangement could also work for retail.



ALTERNATIVES

Drawing from the SWOT analysis, Corcoran neighborhood plan, market profile and precedents, two alternatives were created. These alternatives anticipate a high density, mixed use, transit-oriented redevelopment of 2225 e Lake Street and the need for structured parking, accessibility to the neighborhood and public spaces for the community.

The “mall” and “public square” alternatives show high density redevelopment. The redevelopment concepts draw heavily from the Corcoran Midtown Revival plan, which called for a mix of office, retail and housing. Since the alternatives focus more on the configuration of the farmers’ market, the redevelopment concepts are used as “placeholders” and do not propose a definite number of housing units, retail square footage or parking. It is assumed that any developer who gains control of the site will conduct their own studies and build for market demand. Thus, the intent of these alternatives is to show prospective developers how much space and what types of amenities will be required to support a farmers’ market under a transit-oriented development regime.

Alternative 1: Public Square

The public square makes use of the perimeter of a large open space, similar to the East Town Market in Milwaukee. Angled parking used for residential visitors or customers during the week could be repurposed as parking for vendors. Instead of pulling in, vendors would back their trucks into parking spaces and set up tents along the boulevard. By locating vendors along the perimeter, the central space is opened up for concerts, picnics and strolling.

Parking could be provided through a shared parking ramp at the YWCA site, which was recommended as part of the Corcoran Midtown Revival plan. In this configuration, customers would have to cross the street at 23rd Avenue in order to access the Market. Bump-outs, highlighted crosswalks and signage would have to be provided to ensure safe crossing for pedestrians.

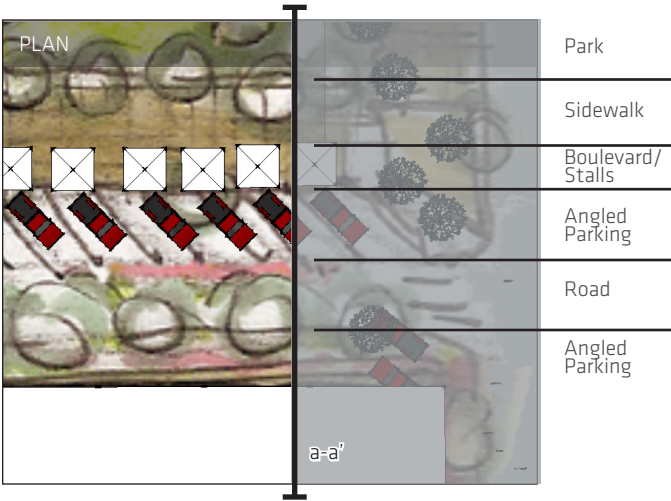
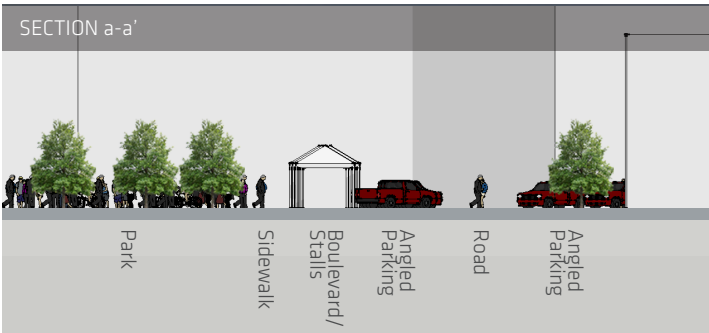


Figure 11-1. ALTERNATIVE 1: Farmers’ market concept utilizing a public square.

Alternative 2: Mall

The mall concept is more space-efficient than the public square, but does not provide open space for recreation or picnics. As proposed in the Corcoran Midtown Revival Plan, the mall connects the Corcoran neighborhood with Lake Street Hiawatha Station. The mall also opens up new retail possibilities along the inside of the block by exposing more building facades and providing a direct connection to light rail.

During market days, vendors would drive into angled parking spaces and operate out of the back of their trucks. Customers can park along a service road around the corner or in a shared parking garage at YWCA. Arches, decorative motifs and public art can be used to create a sense of place and permanence. Further, a long vista terminated by views of the light rail station demonstrate that this is an urban, transit-oriented, sustainable and unique area within Minneapolis.

The mall presents an opportunity for shared parking between MFM and future businesses at the site. Since the Midtown Farmers’ Market operates on Saturdays and evenings when most businesses are closed, there would be little competition for parking spaces.

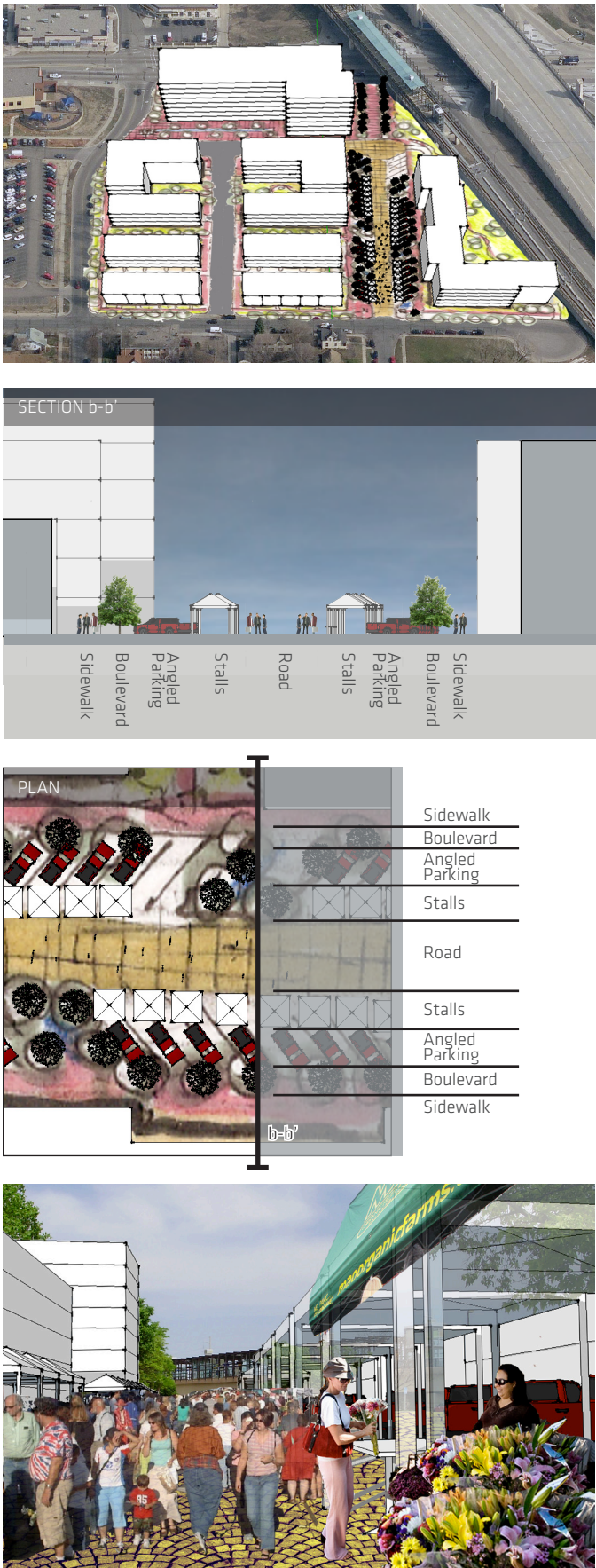


Figure 12-1. ALTERNATIVE 2: Farmers' market concept utilizing a mall.



Figure 13-1. The Developers Roundtable included participants from the City of Minneapolis, Minneapolis Public Schools, private and non-profit developers and neighborhood residents.

developers roundtable

The Corcoran Neighborhood Organization put substantial energy into seeking prospective development partners and raising awareness about the school district's plans and forthcoming opportunities and 2225 E Lake. At a March 10 meeting of lawmakers convened by CNO, a City of Minneapolis official stated that there were two known developers interested in the property. Over the next several months, CNO worked with lawmakers to explore public funding opportunities, while arranging private meetings with nine local developers who expressed interest in the site.

These meetings culminated in a developers roundtable held at the Midtown YWCA on May 28th. An agenda is provided in the appendix. The meeting included presentations about the Corcoran Midtown Revival Plan, the precedents and alternatives shown in this report and a brief description of Fruitvale Transit Village as a way to frame the conversation. Participants included representatives from the school district, private and non-profit developers, city staff, neighborhood residents and architects. Major themes included:

Land Use Concepts: Office and affordable housing with some market rate housing were popular concepts

Retail: Opinion was mixed about whether retail could be successful at the site in the short term given current market conditions.

Office: Office and perhaps medical office are viewed as uses that are viable in today's market conditions, and could generate revenues needed to help offset the challenges created by the need for parking and the

challenges brought by the existing debt on the site carried by the school district. Office could also be a good partner for the Market since it would likely leave workweek parking space open for public use on the weekend.

Housing: Attendees discussed the need for a mix of housing that reflects the neighborhood and could include opportunities for families, seniors, renters, homeowners and those who depend on transit.

Public Space: Developers agreed there is a need for public space to support the new housing (called “a public space enhancement” by one developer), and that the Midtown Farmers’ Market, the Midtown YWCA and the Midtown Greenway help create an attractive “urban family environment”.

Owner’s Debt: It is understood that the district carries significant debt associated with this site, which will be an additional challenge in its disposal and redevelopment.

Role of the Neighborhood: One developer asked whether CNO will act as a development partner for 2225 E Lake. CNO is the official citizen participation organization recognized by the City of Minneapolis for this site. While CNO is not a developer itself, it expects to play a lead role in raising awareness and convening all stakeholders and will help to identify and select the final development partner(s) in order to foster the best possible outcome at the site. The City complimented CNO for being proactive about development of the site and retention of the Midtown Farmers’ Market. One developer noted that CNO can also play a key role in promoting the neighborhood, which will serve to support the development by helping to attract new residents and tenants. CNO may convene future developer roundtables if interest in the site is sustained.

redevelopment case study: fruitvale village, oakland, CA

OVERVIEW

Since the completion of phase 1 in 2004, Fruitvale Transit Village has become a national model for transit-oriented development in an urban setting. The 257,000 sq. foot village includes a high concentration of community services, retail, mixed income housing options and a walkable network of paths and gathering spaces. Alternative transit options are highly accessible, with the Fruitvale transit station located no more than a 5 minute walk from any part of the development. A bus stop, bike and pedestrian paths have also been well integrated into Fruitvale. Fruitvale was made possible through a broad coalition of foundations, Federal, state and local governments and community organizations. Phase 1 was completed in 2004 with a budget of roughly \$100 million and a second, more ambitious phase is planned. A list of funding sources is presented in Appendix 1.

GOALS

The area now known as Fruitvale was originally founded by German immigrants, who established fruit orchards outside of the fledgling City of Oakland. Canneries and a nearby port provided employment for the first half of the 20th century until urban sprawl pushed workers and residents into the suburbs. Fruitvale continued to decline for several decades. During this time, BART, the Bay Area's regional transit agency, owned and maintained several parking lots adjacent to Fruitvale station. The parking lots became a magnet for drug dealing, petty crimes and loitering. Meanwhile, two blocks northeast of Fruitvale station, a wide variety of new immigrants opened restaurants and shops along International Boulevard. This development spared the area immediate to Fruitvale Station.



Figure 15-1. During the planning process, residents and planners developed extensive design standards to create a colorful, vibrant and pedestrian-friendly district.

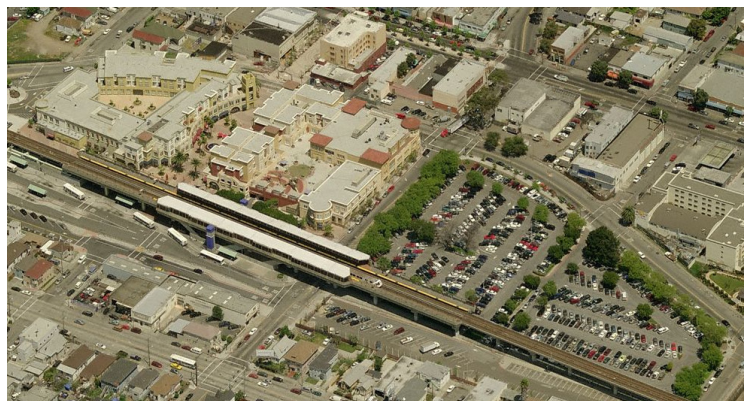


Figure 15-2. Birdseye view of Fruitvale Transit Village

In 2004, the Unity Council (UC), in partnership with the Fruitvale Development Corporation (FDC), completed phase 1 of Fruitvale Transit Village. This came after over 25 years of advocacy by the Unity Council for Fruitvale Transit Village, who created the FDC as a means of building Fruitvale Village. In building the transit village, FDC aspired to:

- strengthen existing community institutions and catalyze neighborhood revitalization – physically, economically and socially.
- reduce poverty, build assets, and contribute to the local economy – by providing a stable source of jobs and income.
- encourage and leverage public and private investment.
- enhance choices for neighborhood residents, including services and retail choices.
- provide high quality, affordable housing.
- improve the perception and reality of safety.
- beautify a blighted area.
- increase BART ridership and reduce traffic and pollution.
- be sustainable and environmentally sound.

Phase 1 of Fruitvale comprises 257,000 sq. feet of mixed-use housing, retail, office, community offices and open space.

- 257,000 total sq. feet (5.9 acres)
- RETAIL: 40,000 sq. feet
- HOUSING: 47 rental units (10 affordable) ranging from 800 to 1,000 sq. feet each. UC built 68 units of senior housing 2 blocks from Fruitvale. FDC plans to construct an additional 500 units as a part of phase 2.
- OFFICE: 21,000 sq. feet for tenants, 13,000 sq. feet for Unity Council
- PARKING: Ample parking was made available through land swaps, parking garages and BART parking lots

FDC/Unity Council Parking

Building A	72
Building B	78
Lot C	138
Phase II lots	550
Subtotal	838

BART Parking

Parking Garage	558
Derby Street Lot	223
Surface Spaces	28
Subtotal	809

Total available parking: 1,647 spaces

DESIGN

The FDC facilitated an extensive planning process to engage existing and future residents of Fruitvale Village. That process resulted in a design that focused on the pedestrian experience, integration of land uses and bright colors and motifs to reflect the heritage of its residents.



Figure 16-1. Fruitvale Village conceptual master plan generated by planning process



Figure 16-2. Phase 1 Fruitvale Village as of 2009.

IMPLICATIONS FOR 2225 E Lake Street

The Fruitvale Farmers market, organized by the Unity Council, operates along the Fruitvale pedestrian mall/paseo. A corridor configuration, vendors line along either side of the paseo and sell fruits, vegetables and crafts to customers on Saturday mornings and during commuting times. Bright colors, banners, public art, motifs, archways, trees and street furniture help to give the market a sense of place and permanence. A 7,000 sq. foot indoor market opened in 2007.

Fruitvale is offered as a relevant case study for its similar neighborhood context and implications for redevelopment of the Site. Lake Street provides a context for 2225 E Lake that is similar to International Boulevard. Both are incubators for new immigrant businesses that have revitalized the corridors in recent decades. The Site, roughly 6.5 acres, is similar in size to Fruitvale's 5.9 acres. Parking is the key to redeveloping both sites, and Fruitvale was only made possible by land swaps with the local transit agency and parking leases with neighboring businesses and organizations.

While market demand for housing and retail will be different for 2225 E Lake, Fruitvale's design standards, innovative parking solutions and creative financing are all relevant precedents for the Corcoran neighborhood.



Figure 17-1. Phase 1 Fruitvale Village: 5.9 acres

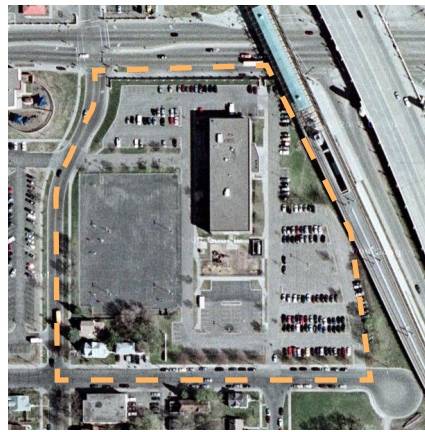


Figure 17-2. 2225 E Lake Street: 6.5 acres

Next Steps

Since learning about the closure of Anishinabe Academy in December 2008, the Corcoran Neighborhood Organization has been proactive about securing a permanent home for the farmers market while being sensitive to the needs of all stakeholders involved. Throughout this visioning process, it became apparent that the Midtown Farmers Market and any redevelopment of 2225 E Lake share a common objective: to build community. The Midtown Farmers Market has become a staple of the Lake Street community and is closely associated with the site.

The Market is also a significant asset for any new development. Together, the Market and future stewards of the site can create a sense of place, uphold the principles of sustainability through local food and green building practices and foster important social connections among residents and customers. Through a process of engagement and envisioning, CNO has demonstrated the Market's benefits, immediate needs and long-term vision. The neighborhood is active and fully supportive of its market and will continue to advocate for a permanent home at 2225 E Lake Street.

Midtown Farmers' Market,
a project of the Corcoran Neighborhood Organization
3451 Cedar Ave S
Minneapolis MN 55407
Contact: Eric Gustafson, 612-724-7457

5 February 2009

Minneapolis Public Schools board and staff c/o Mr. Steven Liss
City of Minneapolis c/o Mayor R.T. Rybak
Minneapolis Park Board members
Hennepin County Commissioners
State and U.S. lawmakers representing Minneapolis

Re: Community Goals for 2225 E. Lake St



Dear Mr. Liss, Mayor Rybak, and other partners,

Minneapolis Public Schools has signaled that 2225 E. Lake Street, currently home to Anishinabe Academy and the seasonal, outdoor Midtown Farmers' Market, could be disposed of by MPS as early as 2009. We, the Corcoran Neighborhood Organization and our Midtown Farmers' Market and Market supporters, value both of these public assets, and appreciate the school district's generosity in allowing use of 10,000 square feet for Market vendors, in addition to customer parking, at 2225 E. Lake. In exchange, the Market's six seasons represent over \$1,000,000 in small business opportunity and affordable access to healthy, sustainable food for south Minneapolis' diverse, mixed income neighborhoods and the greater metro.

Annual participation by 40,000 customers and 70 vendors, and support from hundreds of local businesses and sponsors, demonstrate that the Midtown Farmers' Market should remain a public asset at 2225 E. Lake St, on a 10,000 square foot portion of the 6-acre site designated as public space.

We urge the School Board and other public representatives to consider the future of 2225 E. Lake in terms of its benefits to the public, not solely as a budget issue, and to work with the neighborhood and other stakeholders through any disposition process to realize the objective stated above, in keeping with the principles stated below.

- Southwest Hiawatha-Lake is a center for public and ecological health, as established by Hiawatha light rail's 20,000 daily riders, the Midtown YWCA's 12,000 health and fitness members, and the Midtown Farmers' Market's 40,000 annual customers and 70 growers and artists from urban and greater Minnesota and Wisconsin, including many new Americans. Future uses of the site should retain, leverage, and reflect these assets and values.
- The neighborhood and the City of Minneapolis share a vision for transit oriented development at and around the site. The Corcoran Midtown Revival Plan, adopted by the City Council as part of the Minneapolis Plan in 2002, calls for public open space including a farmers' market, a mix of diverse housing and retail opportunities, structured

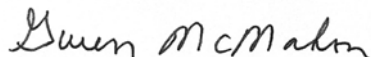
or below-grade parking, with uses stepping down to meet the existing residential blocks. The Plan also calls for sustainable design including buildings that can be adapted and reused or revitalized into the indefinite future.

- At present, economic conditions and other factors may preclude immediate redevelopment of 2225 E. Lake, but the principles stated herein should apply to any adaptive reuse of the existing building (the former Brown Institute) and site amenities.
- In fitting with the Corcoran/Minneapolis Plan, a portion of the site should remain public space, including adequate provisions for no-cost, indefinite use as an outdoor farmers' market.
- There is a need for shared parking at 2225 E. Lake St. Metro Transit presently uses a portion of the site for a Park and Ride lot in order to optimize the use of public transit and protect the surrounding neighborhood from excess commuter parking. In addition, the Midtown YWCA seeks more parking in a shared arrangement to adequately serve its growing membership, and future site uses including housing, retail, and the farmers' market will require shared off-street parking.

The Corcoran Neighborhood Organization plans to explore future uses and redevelopment scenarios for 2225 E. Lake through a series of workshops in early 2009, and invites all stakeholders including residents, the school district, elected officials, the City of Minneapolis and CPED, the YWCA and nearby non-profits, the local business community, the local development community including nearby land owners, farmers' market shoppers, and others to join us.

Our community looks forward to assistance from our public representatives as we work together to preserve and improve 2225 E. Lake Street as a valuable community asset.

Sincerely,



Gwen McMahon
Chair, CNO Board



Eric Lindberg
Chair, CNO Land Use & Transportation Committee

Enclosures



Finances

Project Development

The Unity Council and its partners were able to obtain very substantial financing for the project, initially in the form of planning grants, then later as grants and loans for construction. Once basic sources of equity and other contributions were committed, Citibank sponsored tax-exempt bonds for the balance. The variety of sources and complexity of sources was remarkable, even for RBA projects, with approximately 30 different contributors. The table following shows sources and uses for the project.

SOURCES OF FUNDS 07/31/04

Equity

FEMA	1,045,304
Ford Foundation	122,000
R&R Goldman Fund	300,000
Levi-Strauss	226,881
E&W Haas Jr. Fund	400,000
PG&E	50,000
Neighborhood Reinvestment Corp.	100,000
NCLR	25,000
Land Proceeds	517,025

Total Equity 2,786,210

City of Oakland

City EDI	3,300,000
EDA Grant	1,380,000
Measure K Bonds (Prepaid lease)	2,540,000
City Library (\$4.5MM prepaid lease)	4,900,000
CDBG/Other	77,339
EPA Grant	99,998
City-BTA Bike Station	400,000
Tax Increment Allocation (B) (LISC)	4,000,000

Total City of Oakland 16,697,337

DOT/BART

MTC	47,121
FTA Child Development Center	2,300,000
FTA Pedestrian Paseo	780,000
FTA-CMA Bike Facility	400,000
FTA-Pedestrian Plaza	2,228,534

DOT/BART 5,755,655

Interest/Miscellaneous

Interest/Other	643,707
Additional Bond Funds Interest/Misc.	176,661

Total Interest/Miscellaneous 820,368

Debt

Unity Council FTV/Perm Loan	885,473
Unity Council Bridge Loan	911,830
NCBDC	750,000

City Section 108	3,300,000
Citibank Subordinate	1,400,000
City Housing Loan	750,000
501 (C) 3 Bonds	19,800,000
Total Debt	27,797,303
TOTAL SOURCES OF FUNDS	53,856,873
USES OF FUNDS	
Predevelopment	
Staff & Overhead	645,985
Contract Services	389,286
Total Predevelopment	1,035,271
Hard Construction Cost	
Off-Site	1,291,931
Building Structure	27,793,806
General Contractor Fees	1,095,138
Construction Contingency	1,679,789
Bond Requirements	144,935
Tenant Improvements	2,341,680
Plaza Improvements	1,800,000
Public Art	24,185
Total Hard Construction Costs	36,171,464
Soft Cost	
Acquisition Cost	1,764
Architecture and Engineering	2,819,787
Permits, Fees & Taxes	773,218
Development Staff/Operating	2,840,686
Utility Hookups	600,000
Environmental Remediation	188,680
Legal, Insurance & Other	744,031
Contingency	630,144
Bike Facility Soft Cost	262,968
Total Soft Costs	8,861,278
Interest and Fees	
Construction Interest	2,671,049
City Section 108	150,000
NCBDC	76,285
Unity Council	172,868
Bond Issuance Cost	790,490
Reserves and Lease-up	323,600
Total Interest and Fees	4,184,292
Bridge Loans	
Unity Council Bridge Loan	911,830
NCBDC	750,000
Total Bridge Loans	1,661,830
TOTAL USES OF FUNDS	51,914,135
SURPLUS (DEFICIT)	1,942,738

Operating Budget

The operating budget is almost as complex as the capital financing. Given that FDC and the Unity Council are separate legal entities, they are reported individually. The FDC, which owns and operates Fruitvale Village and three other properties, has about \$3 million in annual revenue.

The Unity Council has an annual operating budget of over \$10 million (plus an additional \$1.5 million for two of its properties) and operates with a net asset surplus. The Council pays about \$300,000 per year in rent for its office space to FDC (not including the De Colores Child Care Center, which The Unity Council also operates).

Future Plans

One of the primary goals of FDC for this year is the completion of lease-up, including the few vacant retail spaces and especially the large vacant office space. Also planned is the opening of the Public Market in the plaza connecting to International Boulevard by The Unity Council. The major project, however, is Phase II of the Village, which will construct housing on BART's surface parking lots to the south on the two blocks next to the Fruitvale Village. Preliminary plans call for 500-600 units. Further project definition and feasibility studies will be conducted in the next year, followed by design, financing and construction on an unknown timetable. The land, however, is tied up for them and The Unity Council currently derives income from parking fees to repay the loan it secured as part of the financing of the BART parking structure. Also, the replacement parking has already been constructed as part of the structure, so that part of the deal, is already complete.

Assessing Project Success

Success in Meeting Project Goals

- **To strengthen existing community institutions and catalyze neighborhood revitalization – physically, economically and socially.**
- **To reduce poverty, build assets, and contribute to the local economy – by providing a stable source of jobs and income.**
- **To encourage and leverage public and private investment.**
- **To enhance choices for neighborhood residents, including services and retail choices.**
- **To provide high quality, affordable housing.**
- **To improve the perception and reality of safety.**
- **To beautify a blighted area.**
- **To increase BART ridership and reduce traffic and pollution.**
- **To be sustainable and environmentally sound.**

Conclusion

The Fruitvale Village experience provides a number of lessons that can be of value to other projects – even ones that are not necessarily transportation-oriented.

Effective Partnerships. To some extent, The Unity Council, BART and the City of Oakland make strange bedfellows. Each has its own mandates and interests. However, each apparently realized that they needed the others in order to achieve their own objectives. Thus, they formalized the partnership in 1994 as the Fruitvale Policy Committee. This was of tremendous value to the project, helping it to overcome hurdles as they arose. And, in the end, each of the entities did benefit: The Unity Council improved the community for its constituents (and increased its income and equity, as well as developing its capacity); BART increased ridership (estimated to be between 300 and 600 new daily riders) and improved safety at a problematical station; and the City increased property taxes, became more effective in delivering services, and reduced crime and other problems in what was a troubled neighborhood.

Effective Leadership. Convincing Arabella Martinez to return to The Unity Council may be the single most important decision anyone made to benefit the project (though that outcome was unknown at the time). Without her, The Unity Council likely would have failed – while with her, it was in a position to guide the project for the community. The Unity Council appears generally to have understood the importance of careful transition planning. Of course, national connections don't hurt, either. BART found Jeff Ordway who grew into an advocate for the project, and the City's Ignacio De La Fuente provided crucial leadership at that leg of the triangle.

Public Involvement. This project started as a parking structure. But community opposition to its placement, voiced at mandatory public hearings, led to an effective community planning process. This happened in part because the community had a history of action and had an effective voice in The Unity Council. Throughout its evolution, key decisions and directions were set with broad input from the community and other stakeholders working together in a public forum. This resulted in strong community support for the project. The Unity Council contrasts this process, which it characterizes as community-based, with what sometimes happens when well meaning but less community-connected CDCs propose a building project that does not really tap into the community's needs – and may not get the same level of support.

Perseverance. This project required more than 10 years of commitment by its participants, with serious stumbling blocks presenting themselves with some regularity. The degree of perseverance required is probably more than could be expected – particularly if the participants had known from the beginning what would be required of them. More likely, the commitment developed gradually as people spent more and more time on the project and began to see its possibilities and benefits.

Creative Financing. As described above, this project required highly complex financing – as many as 31 sources had to be tapped, blended and coordinated (since funder's requirements are often different). The Unity Council and its partners showed creativity and flexibility in locating and obtaining support. When a potential source of funds such as the Federal Transit Administration wanted to support the project but could not award funds to The Unity Council, BART agreed to accept the funds and allocate them to the project.

Quality Design and Construction. This project would not be as good as it is without a desire for, and commitment to, quality. The Unity Council hired the best professionals it could find to assist it with the project, from consultants and planners to architects and builders. Their approach was to aim for high quality – and then to compromise only where it had to.